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PO BOX 1240 MISSOULA, MT 59806

406-543-3782

ORIGINAL

May 16, 2007

Attn: Candrea Allen

Arizona Corporation Commission 1200 W Washington Phoenix, AZ 85007

Docket #T-03692A-07-0251

Please find enclosed my response to your letter re the application to cancel the CC&N for Regal Telephone Company to provide resold local service in the state of Arizona. Also, please find the copy of the letter of notification sent to our customers informing them of our intent, per statement number 4.

The legal notice will be taken care of as soon as I return to Missoula on the 20th of this month. Thank you for your assistance in this matter. I have been in and out of intensive care several times in the past six months and have been negligent in attending to this matter. My primary concern was to stop my business without doing harm to our customers, and to help them find new providers, either land line or wireless. To that extent, I was successful.

I am the person to contact to all questions re the CC&N and will be awaiting response from you.

Sincerely,

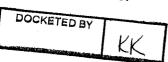
Kenneth W Brown

President, Regal Diversified, Inc, dba Regal Telephone Company

Company.

Arizona Corporation Commission DOCKETED

MAY 3 0 2007



PO Box 1240 Missoula, MT 59806 406-543-3782

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- 1. The reasons I decided to cease my local telephone service were due to health issues. I suffered a pulmonary embolism eighteen months ago and stopped all advertising in Arizona at that time. I have since had two mini-strokes and my doctor suggested it best to stay away from stress related work.
- 2. Legal notices to follow.
- 3. Regal does not have any customers in Arizona at this time.
- 4. See notification enclosed.
- 5. No advances or deposits were ever collected. Regal sent notice that the line would be disconnected on the due-date of the customer, and in most cases, later than that, if needed, so the customer would not lose service while they chose another telephone company.
- 6. NA
- 7. A list of alternative providers was sent, including both land line and wireless.
- 8. The performance bond is still valid for the amount of \$15,000.00.
- 9. Regal provided service for only residential customers, for local service only. There was no resold long distance service. After our advertising stopped, the customer numbers dropped quickly to 100 or less.
- 10. There are no affiliates of Regal offering telecommunications services in Arizona.
- 11. No customers have been transferred to other telecommunications carriers.
- 12. Regal does not currently operate in any state, but the home office was in Missoula, Montana.

- . 13. Regal has no employees (nor has it ever) in Arizona.
 - 14. Regal does not have any facilities in Arizona.
 - 15. Regal has never had any service contracts with customers in Arizona.

Kenneth Brown (president) is the contact person for all above statements.

REGAL TELEPHONE COMPANY PO Box 1240 Missoula, MT 59806 regal@centric.net

406-549-6709

fax: 406-549-6809

December 15, 2006

Docket #T-03692A-07-0251

NOTICE TO ALL CUSTOMERS OF REGAL TELEPHONE COMPANY

Regal Telephone Company will close the Arizona office in February of 2007. I have been advised by my doctor that early retirement is in my best interest, due to ongoing health issues during the past 12 months. Upon this advice, my family and I have agreed to close the office, but our staff will be available to all of you in assisting you with locating a new service provider. You will not lose service while you migrate to another company. If you elect to end your normal monthly service with Regal, you can stay on with us through February.

Regal will be sending you a list of current service providers in your area, both landline and wireless, so you can continue on with telephone service.

Thank all of you for your business and kindness concerning my health during our years of doing business in the state of Arizona. We will miss you, your notes, your telephone calls, your thoughtful flowers and concern.

Sincerely,

Sernett

Kenneth Brown, President, Regal Telephone Company.